

CHAPTER SIX

SBA FINANCIAL BYLAWS

Last Updated 3/07/01

PREAMBLE (Purpose & Intent)

Upon passage of the following Financial Bylaws, the Senate declares its intention to standardize procedures dealing with all aspects of SBA spending, specifically over budgets, organization funding requests, budget and spending reports, and clarify the Constitution's delegation of appropriation as inherently residing with the Senate. Article IV, Section 3(B) states, "The Senate shall have the following duty: 1. Appropriate funds to, and/or review expenditures of, the Student Bar Association executive, legislative and judicial branches and their agents." Without a formal memorialization of the Senate's Constitutional authority for these Financial Bylaws, the Executive Branch could have the ability to completely bypass the Senate with regard to any or all spending by submitting a budget for only a small part of the expected available funds, filing an unapprovable budget, or by refusing to submit a budget. As yet another alternative, the Executive Branch could have the power to spend and historically has spent SBA funds outside of budgeted measures without the reins of formal procedures or Senate approval and without Constitutional authority to act. The Treasurer under Article III, Section 2(C)(3) has the power to allocate (read: spend) fund only upon ratification of the budget. Moreover, the Treasurer and the President, while jointly authorized to sign all disbursements, may only do so after the expenditures have been duly authorized in the budget. Although the Senate formally acknowledges that the Treasurer and Executive Board the ability to propose and approve budgets, that function is clearly limited by the Senate's ratification power. Ratification is the only way for the SBA to properly spend non-emergency funds; thus, the Constitution does not allow the Executive Branch to unilaterally spend funds in the absence of a ratified budget. Furthermore, the SBA Constitution explicitly vests within the Senate the Sole power to approve bylaws on any matter consistent with the Constitution in Article IV, Section 3(A)(4). Therefore, as these bylaws are consistent with the Constitution, within the power of the Senate to pass, and preserve and restore the balance of power within SBA, these Bylaws should be interpreted as encouraging joint and bipartisan action between the Executive Branch and the Senate first and foremost, but in the absence of agreement, the Senate, as the legislative body and has generally representing a wider array of student interests, shall have ultimate and final authority over the budgeting of SBA funds.

I. Title – Financial Bylaws (Adopted 3/07/01)

II. Budget Proposal (Adopted 3/07/01)

- A. The SBA Treasurer shall submit the proposed budget to the Senate in any generally accepted accounting format, including the previous balance, all income, all expenditures and the current balance.
1. The proposed budget shall be for the entire fiscal year, including any income and expenditures that have already accrued and are for the same fiscal year, subdivided by category, with fiscal year totals for each category.
 - i. Please see Appendix “A” for an example of an acceptable budget.
 - ii. The fiscal year runs from June 1st to May 31st.
 2. The Senate, when unable to accept the Treasurer’s proposed budget, has the power to pass a temporary, “emergency” budget to stay in effect until the next meeting.
 3. The proposed budget shall show the previous fiscal year’s actual spending on all items, including non- budgeted items.
 4. The proposed budget shall use reasonable estimates for all expected sources of income to the dollar.

III. Senate Control over Unbudgeted Funds (Adopted 3/07/01)

A. Unbudgeted Funds

1. Shall be apportioned via only the Following procedures for discretionary spending.
 - a. The Senate has the authority to allocate all remaining funds as desired by either of the following two means:
 - i. The Senate may apportion any amount of unspent funds by a successful motion passed by a majority vote.
 - ii. Student Organization request: Any student organization or organizer may request a specific amount of remaining funds directly from the Senate by following the below outlined procedure (see Appendix B for an acceptable example):

- A. Send a document via e-mail or on a paper and disk to the Treasurer by 5PM on the Monday prior to the Senate meeting you wish your request to be considered, and include:
1. The amount of funds requested;
 2. The activity for which the funds are to be used;
 3. The importance of the activity to the students of the University of Miami School of Law.
 4. The amount of money raised from the other sources.
 5. The amount of funds needed without which the event/item will not be occurring/used; and
 6. A list of all other avenues by which funding was sought, how much was requested from each, and how much was received from each.
- B. The SBA Treasurer must add to the top of the e-mail document two items:
1. The amount of unspent funds currently in our account;
 2. the amount of funds recommended by the Treasurer to be given to this request.
- C. The Treasurer must then get the request to all members of the Senate, either personally or by delegation to the Secretary, by 5 P.M. on the Wednesday prior to the next Senate meeting.
- D. At the next Senate meeting, the requesting person/organization must present their request to the SBA Senate within reasonable time limits.
- E. The Senate must vote on the measure at the meeting designated by the requesting person/organization, or no later than the second SBA Senate meeting following the request.
- F. A Simple majority vote of voting (not abstaining) Senate members will pass the appropriations/allocation measure.

- G. Any Senator with an upcoming excused absence may, in a signed writing, vote for, against or give the right to vote to another named Senator.
- H. After passage on any such proposal, the amount passed shall be considered a “budgeted” amount and added to the fiscal budget.
- I. Upon majority vote, the Senate may recall any unspent budgeted funds if notice is given to the person/organization requesting the funds (concurrently with the Senator’s notice of the meeting) and the opportunity to speak against the recall is given to at least one member of the requesting organization.

B. Discretionary Spending

- 1. The Executive may spend no more than \$250 per instance up to a maximum of \$1,000 per fiscal year when spent in accord with the following:
 - a. The need for the expenditure was not foreseeable (arose since the last Senate meeting) or was not able to be budgeted by the Senate (copying, miscellaneous office expense, condolences, etc.)
 - b. Both the President and the Treasurer must jointly sign all expense slips for this discretionary spending attesting that each of them is satisfied that the funds are being spent in accordance with the general purposes of the SBA Constitution.
 - c. The Treasurer must report any and all such spending at the next Senate meeting, with period and fiscal year to date totals.
 - d. Upon a motion for ill-advised use of funds, the Senate may discuss the reasonableness of the discretionary spending and may take action to prevent the continued spending of such funds, put a lien on the organization for up to the amount of the funds or take any other such action that is not within the original jurisdiction of the Honor Council. Any Action must be passed by a two-thirds majority vote to be successful.
 - e. The Senate may, at any time, pass specific legislation, upon majority vote, to restrict the Executive from any certain type of discretionary spending, which will remain in effect for no longer than the current Executive Administration.
 - f. The Senate may, but only after a successful motion for ill-advised use of funds, pass general legislation by two-thirds vote to restrict the

Executive from any type or kind of discretionary spending that was the subject of the prior ill-advised use of funds, which will remain in effect for no longer than the current Executive Administration.

- g. The Senate may, at any time, pass legislation, by two-thirds majority, to increase the total amount of Executive discretionary spending allowed for only the current Executive Administration to more than the \$250 per instance/\$1,000 total cap.

IV. Spending & Reports (Adopted 3/07/01)

A. Spending

1. The Executive shall only spend allocated, appropriated or budgeted funds up to the amount passed by the Senate, except for the distribution of discretionary funds as laid out above.
2. Both the Treasurer and the President must sign all expenditures slips, as directed by the Constitution.
3. The Treasurer must submit a monthly current budget report to the Senate showing the actual amount earned and spent on a line by line basis verses the budgetary amount earned and spent.
4. The Treasurer's monthly budget report to the Senate must:
 - a. List the Balance Forward from the previous budget report.
 - b. Show all income and expenditures for the current budgetary time period.
 - c. Show the amount remaining in the budget for each budgeted item (example: if we spent \$750 this month for Beer on the Bricks and had \$5,250 left the previous month, then this month should show that we have only \$4,500 left in the budgeted funds for Beer On the Bricks).
 - d. List the current Balance Remaining as of the date of the budget report.
5. Spending Reports
 - a. All spending Reports of SBA funds made by someone other than the Treasurer and the President must be accounted for in the form of a report or reports to the Treasurer:
 - i. Simple Spending: one time expenditure, report due within 7 days after the expenditure, or
 - ii. Detailed Spending: for multiple expenditure items/events by the same organization for the same budgetary item/event, reports due every 14 days (Note: for purposes of this section any items/events sponsored/run by more than one organization receiving only one total allocation in the budget are considered to be sponsored/run by one organization for the purpose of spending reports).

- iii. Initial Report: Due within 14 days after the first expenditure (or with 7 days if there is only one expenditure). The report must contain:
 - A. The date
 - B. The organization and the representative(s) making the report;
 - C. The total amount allocated;
 - D. A listing of charges stating where obtained, what was obtained and for how much; and,
 - E. How much remains, if any, including when any remaining funds are next expected to be spent.
 - F. All receipts or copies of receipts must be attached.

- iv. Status Report: When spending has continued since the last report, a status report is due every 14 days since submission of the previous report. The status report must list the same things as an initial report and include current receipts or copies of them, except it must add the expenses and their dollar amounts that were spent since the last report, so that a grand total of all expenses to date are included in the status report. Please see Appendix D for acceptable examples.

V. Recordkeeping and Accountability (Adopted 3/07/01)

- A. All records of the SBA's finances must be kept reasonably up to date by the Treasurer.

- B. Any member of the University of Miami Student Bar Association has a right to inspect true copies of the records by request and appointment. Appointments must be made within a reasonable time and at the convenience of the Treasurer. The Treasurer must be available at some time during normal SBA Office hours.

- C. An outgoing Treasurer has the responsibility to account for all of the SBA's spending over the last year to the newly elected Treasurer. Such accounting must be substantiated by copies of all monthly budget reports to the Senate over the previous fiscal year, clearly organized receipts/expenditure slips and the most recent account statement not more than 30 days old (or will obtain a verified account balances).

VI. Appendix (Adopted 3/07/01)

A. Example Proposed Budget

Balance Forward: \$1,000

Income

<i>Category</i>	<i>'00-'01</i>	<i>'99-'00</i>
Student Allotment	7,000	6,500
Food on the Bricks	235	275

Expenditure

<i>Category</i>	<i>'00-'01</i>	<i>'99-'00</i>
Office Phone	840	590
Orientation	5,400	6,000
First Monday	500	0
VITA	500	0
Beer on the Bricks	6,000	7,000

Totals

Income:	20,500	21,500
Expenditures	13,240	13,590
Unbudgeted Funds Remainder:	7,260	7,910
Discretionary Spending Remainder	1,000	-----

B. Example Organization Proposed Budget

Jake Taylor, Res Ipsa Loquitur

1. Requesting: \$1,000
2. Digital Camera
3. We will let the SBA use our camera for SBA purposes, as well as add to the reputation of the school by improving the Res Ipsa website with higher quality photographs.
4. \$250 from other sources.
5. \$1,000 still need
6. We received \$250 from LAFAC.

C. Sample Monthly Budget Report

Treasurer's October 2000 Budget Report

Balance Forward (from September 30, 2000) = 5,000

Income

<i>Category</i>	<i>Thur Oct '99</i>	<i>Thur Oct '00</i>	<i>'00 Budget</i>	<i>Remainder</i>
Student Allotment	7,000	6,500	20,000	13,500 (amt due)
Food on the Bricks	235	275	500	225 (expected)

Expenditure

<i>Category</i>	<i>Thur Oct '99</i>	<i>Thur Oct '00</i>	<i>'00 Budget</i>	<i>Remainder</i>
Office Phone	300	340	840	500
Orientation	6,000	5,400	5,200	+200 (overage)
First Monday	0	500	500	0
VITA	0	0	500	500
Beer on the Bricks	2,500	1,750	6,000	4,250
Digital Camera	-----	785		* Senate allocation
Flowers (Mary Joe)	-----	50		* Discretionary spending

Totals

<i>Category</i>	<i>Thur Oct '99</i>	<i>Thur Oct '00</i>	<i>'00 Budget</i>	<i>Remainder</i>
Income:	7,235	6,775	20,500	13,725
Expenditures	8,800	8,825	13,875	5,050
Unbudgeted Funds Remainder:			5,675	
Discretionary Spending Remainder			950	

Current Balances (as of October 31, 2000) = \$2,950.00

Note: Amt due = money owed to the SBA; expected = money hoped to be earned by the SBA; overage=budgeted funds not spend. Remember that Senate allocations become a part of the budgeted totals after Senate approval, and that Executive Discretionary spending is automatically added to the budgeted total after Senate approval, and that Executive Discretionary spending is automatically added to the budgeted total, unless successfully challenged by the Senate.

D. Sample Expenditure Report by Organization

Initial and Final Spending Report

- a.) October 25, 2000
- b.) Res Ipsa Loquitur, Jake Taylor
- c.) Senate Allocation = \$785

d.) Best Buy, Sony XL-4400 Digital Camera, total price @ \$1,250.00, purchased on October 21, 2000.

LAFAC allocation = \$250.00

Senate allocation = \$785.00

Res Ipsa contribution= \$215.00

e.) \$0.00 remains

VII. Other (Adopted 3/07/01)

A. These Bylaws shall be renumbered and re-lettered where appropriate to provide for the proper sequence of numbers and letters.